



**JOHN R. KASICH**  
GOVERNOR  
STATE OF OHIO

**DATE:** 5/24/13  
**TO:** INTERESTED PARTIES  
**FROM:** BETH HANSEN  
CHIEF OF STAFF  
**RE:** OVERVIEW OF RECENT ECONOMIC PROGRESS

Creating a jobs-friendly climate so Ohioans can get back to work and our state can get back on its economic feet is Governor Kasich's top priority. More progress must still be made, but the recent news that Ohio's unemployment rate fell to 7.0 percent—half a point below the national average—and that our state has created 147,000 private sector jobs in the past two years was welcome confirmation that we're headed in the right direction. Below is a summary of other economic progress and news that you might find useful.

**Ohio Has the Most Improved Business Climate in the U.S.**

Gov. Kasich has worked hard with the General Assembly to create a more jobs-friendly climate in Ohio and our work is getting noticed by the nation's business leaders who call the shots on where to create jobs. [Chief Executive magazine](#) just recently named Ohio the "most improved" state for business in its annual survey of CEOs. It's an encouraging validation that our policies of cutting taxes, streamlining regulation and stabilizing our finances are getting Ohio back on the right track.

**\$1 Billion in Workers' Compensation Rebates**

The governor announced on May 2 that Ohio's 210,000 public and private employers insured by the Bureau of Workers' Compensation would receive \$1 billion in rebates. More than \$112 million of those rebates would go to Ohio's nearly 3,800 local governments and school districts. (Read more [here](#)). The rebates will be funded by higher-than-expected returns at BWC brought on by strong investment management.

**Ohio's Budget Progress: Advancing our Economic Recovery**

In his first budget the governor and the General Assembly closed an \$8 billion shortfall without a tax increase, and even cut taxes by \$800 million. That responsible, jobs-friendly plan laid the foundation for the recovery we're seeing now. Ohio's next two-year budget process began in February and the governor continued the focus on job creation with a \$1.4 billion tax cut, major new funds for highway construction without a tax increase, new funding plans for K-12 and higher education and reforms to Ohio's Medicaid program. Since then, the budget has worked its way through the House and is now in the Senate. Both chambers have, of course, taken their own approaches to these priorities but they have all continued to make progress and the governor looks forward to wrapping up the budget by the end of June with a fiscally responsible plan that advances Ohio's economic recovery.

**Minimizing the Economic Impact of Federal Health Care Reform**

With some estimates that the federal Patient Protection and Affordable Care Act—Obamacare—could increase health insurance costs in Ohio by as much as 85 percent, the Kasich/Taylor Administration has worked since taking office to minimize the law's negative effects on Ohio's economy.

The governor has already said “No” to Obamacare’s state-run exchange, “No” to a federal takeover of our insurance regulations and “No” to a federal takeover of our Medicaid eligibility system. The governor’s proposal to extend Medicaid coverage would build on these actions by shielding Ohio businesses from up to \$88 million in annual penalties, sparing rural and urban hospitals the potentially destabilizing effect of losses in federal funds, and helping prevent even greater health insurance cost increases. Additionally, helping approximately 300,000 low-income and working poor Ohioans—including more than 26,000 veterans—get the care they need makes it easier for them to move up and out of poverty and into the workforce.

It has provoked intense debate and is certainly counterintuitive to some, but the extension of Medicaid coverage only furthers the Administration’s efforts to minimize the economic impacts of Obamacare and the governor is committed to working with the General Assembly to do it in a responsible way that’s right for Ohio.

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